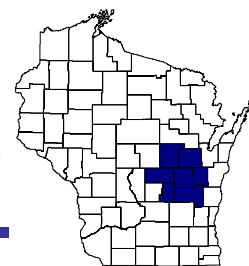


WORKFORCE OBSERVATIONS

for the Fox Valley WDA counties
Calumet, Fond du Lac, Green Lake, Outagamie, Waupaca, Waushara,
and Winnebago Counties



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2005 Wrap up of the Fox Valley's Labor Force and Industry Employment

The Fox Valley WDA preliminary, annual average unemployment rate in 2005 was 4.5 percent. Should this rate hold up after final revisions (due in early 2006), it would be the lowest annual unemployment rate for this region since 4.1 percent was measured in 2001.

The 2005 rate is two-tenths of a percentage point lower than its 2004 average. The lower 2005 rate was the result of the WDA having 700 more employed residents and 600 fewer unemployed. The net sum of these changes results in a labor force that is about 100 participants higher than it was in 2004. Interestingly, the Fox Valley WDA was the only region of the state to post annual growth in its total labor force in 2005. The Bay Area WDA, just to the Fox Valley's north, posted the state's largest annual loss of labor force (-4,100 participants).

Fox Valley's labor force growth, albeit slight growth, could be revised even higher or perhaps lower depending upon annual revision, but regardless, the fact that that it showed any growth in 2005, in a state

2004 and 2005 Annual Average Labor Force*

	Fox Valley WDA	Wisconsin	United States
2005			
Labor Force	324,359	3,050,651	149,320,333
Employed	309,747	2,907,733	141,729,750
Unemployed	14,612	142,918	7,590,583
Unemployment Rate	4.5%	4.7%	5.1%
	Fox Valley WDA	Wisconsin	United States
2004			
Labor Force	324,220	3,071,179	147,401,167
Employed	309,008	2,919,201	139,251,917
Unemployed	15,212	151,978	8,149,250
Unemployment Rate	4.7%	4.9%	5.5%
*Preliminary			

posting overall labor force decline, speaks volumes about its population dynamics and its job base, which is a driver of population growth. The Fox Valley is certainly an up and coming economic base in Wisconsin with a relatively stable and diversifying job market. Some Fox Valley counties are among those with the highest labor force participation rates in Wisconsin.

In terms of its job base, the region has posted a preliminary annual average non-farm employment total of 294,100 jobs in 2005. Year 2005 marks the Fox Valley's highest total number of jobs since its previ-

Fox Valley WDA Annual Average Nonfarm Industry Employment*

	<u>2004</u>	<u>2005</u>	<u># Jobs Change</u>	<u>% Jobs Change</u>
All Industries	289,425	294,147	4,722	1.6%
Construction/Natural Resources	16,987	17,329	342	2.0%
Manufacturing	65,145	66,230	1,085	1.7%
Wholesale and Retail Trade	43,108	45,211	2,103	4.9%
Transport/Warehouse/Utilities	9,915	9,628	-287	-2.9%
Financial Activities	13,559	13,178	-381	-2.8%
Education and Health Services	32,963	33,946	982	9.9%
Leisure and Hospitality	25,113	25,925	812	6.0%
Info./Prof./Bus. and Other Services	46,589	46,568	-21	-0.1%
Fed/State/Local Government	36,046	36,134	88	0.3%
*Preliminary				

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Local/State/National Quarterly Unemployment Rates

	Fourth Quarter 2005 Average Labor Force			
	Total Labor Force	Number Employed	Number Unemployed	Unemploy. Rate
Calumet County	25,400	24,500	900	3.5%
Fond du Lac County	57,600	55,300	2,300	4.0%
Green Lake County	10,400	9,900	500	5.0%
Outagamie County	95,800	92,000	3,900	4.0%
Waupaca County	27,900	26,600	1,300	4.8%
Waushara County	12,700	12,100	600	5.0%
Winnebago County	94,000	90,400	3,600	3.8%
Appleton, WI MSA	121,300	116,500	4,800	3.9%
Fox Valley WDA	323,900	310,700	13,100	4.1%
Appleton City	40,400	38,400	2,100	5.1%
Fond Du Lac City	24,000	22,900	1,200	4.9%
Neenah City	23,200	22,500	700	3.2%
Oshkosh City	36,400	34,900	1,500	4.2%
Wisconsin	3,047,900	2,919,800	128,000	4.2%
United States	150,139,000	143,075,300	7,063,700	4.7%
Change Compared to Previous Quarter				
Calumet County	-300	-200	-100	-0.3%
Fond du Lac County	-700	-600	-100	-0.1%
Green Lake County	-310	-400	60	0.7%
Outagamie County	-700	-600	0	0.0%
Waupaca County	-370	-420	50	0.3%
Waushara County	-130	-220	90	0.8%
Winnebago County	-300	-100	-200	-0.2%
Appleton, WI MSA	-900	-800	-100	-0.1%
Fox Valley WDA	-2,600	-2,500	-200	0.0%
Appleton City	-290	-270	-30	0.0%
Fond Du Lac City	-230	-230	0	0.0%
Neenah City	-30	-20	-20	-0.1%
Oshkosh City	-190	-30	-160	-0.4%
Wisconsin	-14,200	-10,900	-3,300	-0.1%
United States	-337,300	74,000	-411,300	-0.3%
Change Compared to Same Quarter, Previous Year				
Calumet County	-260	-300	40	0.2%
Fond du Lac County	200	100	100	0.2%
Green Lake County	-130	-140	10	0.2%
Outagamie County	-1,100	-1,100	0	0.1%
Waupaca County	-350	-390	40	0.2%
Waushara County	140	110	30	0.2%
Winnebago County	200	200	0	0.0%
Appleton, WI MSA	-1,400	-1,400	100	0.1%
Fox Valley WDA	-1,300	-1,600	300	0.1%
Appleton City	-510	-470	-40	0.0%
Fond Du Lac City	130	50	80	0.3%
Neenah City	0	40	-40	-0.2%
Oshkosh City	100	60	40	0.1%
Wisconsin	-19,400	-19,200	-200	0.0%
United States	2,105,300	2,640,000	-534,700	-0.4%

Source: DWD Office of Economic Advisors analysis of data supplied by DWD Bureau of Workforce Information and the U.S. DOL Bureau of Labor Statistics. Data are not seasonally adjusted and are preliminary. Figures are rounded and may not sum to total. Fond du Lac County is often referred to as the Fond du Lac MSA. Winnebago County is often referred to as the Oshkosh-Neenah MSA. The Appleton MSA consists of Outagamie and Calumet counties.

(Continued from page 1)

ous annual average high was measured in 2001. Manufacturing continues to be the region's largest employing sector averaging almost 66,200 jobs throughout 2005 or close to one of every four regional jobs. To put this prominence into perspective, Wisconsin's manufacturing employment as a percentage of total employment is about 18.5 percent, which is the second highest manufacturing employment-share in the United States behind Indiana's 20 percent share.

The region posted an annual average gain of 4,700 jobs in 2005 (+1.6%) outpacing the state's preliminary annual growth rate of 0.9 percent, as well as growing more quickly than most of the other regions in the state.

Fox Valley WDA total net job growth was a collection of employment changes, some positive and negative, among its major industry sectors. Wholesale and retail trade, combined, posted the region's largest employment growth adding 2,100 jobs, annually. Though the availability of some data is spotty in some Fox Valley counties due to confidentiality standards, it is probably a safe bet to assume that the bulk of this job growth was in retail trade employment. Manufacturing also posted a significant gain; the second largest increase in jobs in numeric terms.

In terms of percentage growth, educational and health services' ten percent annual average job growth (approximately 1,000 more jobs) was, by far, the region's fastest growing and there is no slowing in sight for this sector as the health services portion of this sector is growing rapidly virtually everywhere in the United States.

Two regional sectors exhibited notable employment decline in comparison to 2004. Transportation, warehousing and utilities; and financial activities employment each declined by three percent over the year, down 300 and 400 jobs, respectively. The decrease in financial activities employment continues a trend of annual dips in employment since 2002, though this trend has not been sharply downward. This sector does not usually show a great deal of employment volatility, either up or down, and most signals point to growth in this sector's future, particularly in the Appleton MSA.

Local/State/National Quarterly Industry Employment

	Avg Quarterly Number of Jobs by Industry Sector								
	United States	Wisconsin	Appleton MSA	Fond du Lac MSA	Oshkosh-Neenah MSA	Green Lake County	Waupaca County	Waushara County	Fox Valley WDA
	Q4-2005	Q4-2005	Q4-2005	Q4-2005	Q4-2005	Q4-2005	Q4-2005	Q4-2005	Q4-2005
All Industries	135,215,900	2,865,600	117,500	49,900	94,400	7,380	21,170	6,360	296,800
Construction/Natural Resources	8,051,000	139,400	8,800	3,200	3,900	520	930	320	17,600
Manufacturing	14,288,300	503,300	24,300	10,900	23,300	1,390	4,990	990	66,000
Total Trade	21,272,600	440,400	20,600	7,800	13,300	970	3,110	910	46,700
Wholesale Trade	5,760,100	117,400	4,200	1,600	2,800	xx	xx	xx	xx
Retail Trade	15,512,500	322,900	16,400	6,200	10,500	xx	xx	xx	xx
Transport/Warehouse/Utilities	4,993,300	110,700	3,400	1,700	3,400	310	480	310	9,600
Financial Activities	8,295,300	158,200	6,300	1,700	3,800	300	640	220	13,000
Education and Health Services	17,665,000	390,000	12,200	7,100	10,500	1,090	2,850	740	34,400
Leisure and Hospitality	12,593,000	250,700	11,200	4,800	6,200	730	1,930	720	25,600
Info./Prof./Bus.and Other Services	25,811,700	446,900	19,300	6,800	16,900	1,050	2,250	610	46,900
Information	3,148,000	50,300	2,100	1,100	1,500	xx	xx	xx	xx
Professional and Business Services	17,215,000	261,500	11,400	2,900	11,000	xx	xx	xx	xx
Other Services	5,448,700	135,200	5,800	2,800	4,400	xx	xx	xx	xx
Fed/State/Local Government	22,245,700	426,000	11,500	5,800	13,200	1,020	3,980	1,540	37,000
Change in Avg. # of Jobs Compared to Previous Quarter									
All Industries	1,320,000	16,000	-200	-100	500	-270	-100	-20	-200
Construction/Natural Resources	-134,300	-7,300	-400	-200	-200	-50	-70	-20	-900
Manufacturing	-22,000	-4,900	-800	-100	-400	-40	-30	10	-1,400
Total Trade	329,900	6,900	0	-100	800	-50	40	-10	700
Wholesale Trade	5,800	-900	0	0	-100	xx	xx	xx	xx
Retail Trade	324,100	7,800	0	-100	800	xx	xx	xx	xx
Transport/Warehouse/Utilities	51,700	2,900	0	0	0	0	0	0	0
Financial Activities	4,300	-1,400	-200	-100	0	0	-20	-10	-300
Education and Health Services	512,700	9,200	400	100	100	-10	0	0	500
Leisure and Hospitality	-673,000	-22,800	-400	0	-500	-190	-330	-90	-1,500
Info./Prof./Bus.and Other Services	2,000	-2,000	300	-100	-600	-30	-50	-30	-500
Information	-10,000	200	0	0	0	xx	xx	xx	xx
Professional and Business Services	67,000	-1,300	200	0	-400	xx	xx	xx	xx
Other Services	-55,000	-900	0	-100	-200	xx	xx	xx	xx
Fed/State/Local Government	1,248,700	35,500	900	400	1,300	90	360	130	3,200
Change in Avg. # of Jobs Compared to Same Quarter in 2004									
All Industries	1,972,200	29,100	-100	900	1,700	-40	40	220	2,700
Construction/Natural Resources	304,000	6,500	100	200	0	-10	-10	0	400
Manufacturing	-74,000	300	-700	100	200	-40	90	90	-300
Total Trade	174,000	-3,200	100	200	1,600	0	30	40	1,900
Wholesale Trade	69,900	4,000	0	0	0	xx	xx	xx	xx
Retail Trade	104,100	-7,200	100	200	1,600	xx	xx	xx	xx
Transport/Warehouse/Utilities	94,500	500	-200	-100	-100	0	-20	10	-300
Financial Activities	195,700	1,100	-100	-100	0	10	-10	0	-200
Education and Health Services	369,000	6,100	300	500	200	0	0	30	1,000
Leisure and Hospitality	221,000	6,400	600	300	-300	-20	30	20	700
Info./Prof./Bus.and Other Services	518,700	8,100	-200	0	0	20	-50	30	-200
Information	14,300	300	0	0	-100	xx	xx	xx	xx
Professional and Business Services	484,000	8,000	-100	100	100	xx	xx	xx	xx
Other Services	20,300	-200	-100	-100	0	xx	xx	xx	xx
Fed/State/Local Government	169,300	3,400	0	-300	100	-10	-20	0	-200

Source: DWD Office of Economic Advisors analysis of Current Employment Statistics (CES) data supplied by DWD Bureau of Workforce Information and the U.S. DOL Bureau of Labor Statistics. These not seasonally adjusted, preliminary figures are rounded and may not sum to the all industries total. The Appleton MSA consists of Calumet and Outagamie Counties. The Fond du Lac MSA is Fond Du Lac county. The Oshkosh-Neenah MSA is Winnebago County.

Fox Valley WDA—Fourth Quarter 2005 (October, November and December)

Labor Force

The Fox Valley WDA labor force averaged 323,900 participants in Q4 2004 with 310,700 employed and 13,100 unemployed. The unemployment rate for this seven-county region was 4.1 percent, which was unchanged from the previous quarter. At the county level, the lowest Q4 unemployment rate was measured in Calumet County at 3.5 percent and the highest was 5.0 percent measured in both Green Lake and Waushara counties.

Three of the region's counties showed a decrease in unemployment rate compared to the third quarter: Calumet, Fond du Lac and Winnebago counties. Outagamie remained unchanged at 4.0 percent. And the remaining counties posted quarterly increases in their unemployment rates with Green Lake and Waushara counties showing significant increases by seven-tenths and eight-tenths of a percentage point, respectively. The counties' total labor force dropped across the board, quarterly, which is an expected seasonal occurrence due to the third quarter containing peak months of the region's labor market.

The Fox Valley labor force, from the annual perspective compared to Q4 2004, has an unemployment rate that is just slightly higher, one-tenth of a percentage point. The small increase was due to the fact that the region has 1,600 fewer employed residents and 300 more unemployed compared to Q4 2004 for a net reduction in its labor force of 1,300 participants. The reduction in the region's labor force is not unique as most regions have posted similar reductions throughout most of 2005, as well as the state posting an annual decrease in its labor force, too. It is too early to label this reduction as a trend and given the fact that the region's jobs market has been fairly resilient and growing over the last year, it would likely not lead one to believe that this due to any drastic change in the hiring landscape.

With the exception of Winnebago County, whose unemployment rate remained unchanged, annually, the six other Fox Valley counties' rates have risen compared to Q4 2004. Most of the counties have rates that are about two-tenths of a percentage point higher than at this time last year with a number of them having slightly more unemployed residents and slightly fewer employed.

Looking ahead, the Fox Valley unemployment rates should rise in the first quarter of 2006 compared to the last quarter of 2005. Q1 labor force and usually have the highest calendar-year unemployment rates. This is a seasonal issue and not one that is rooted in negative changes to the structure of the economy. It suggests that the cooler months of the year are the "slowest" in terms

of job numbers and labor force participation. This trend is seen statewide and nationally, too.

Industry Employment

Estimates of nonfarm wage and salary employment tallied an average total of 296,800 regional jobs in the fourth quarter of 2005.

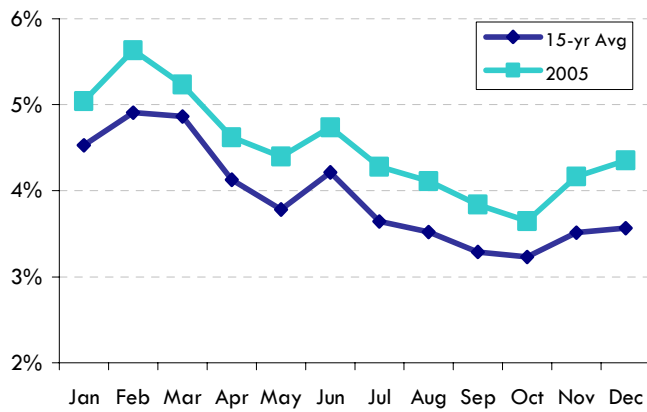
Compared to the third quarter, there are 200 fewer jobs on a net basis. Most of this net quarterly job decrease was centered in a 1,400 jobs drop in manufacturing employment and a 1,500 jobs drop in leisure and hospitality employment, both of which could be characterized as seasonal in nature from their yearly high points in the third quarter. Construction employment also posted a seasonal dip with 900 fewer jobs over the quarter. Offsetting these seasonal decreases were increases that were also seasonal in their own right. Government employment posted a quarterly increase of over 3,200 jobs, which more specifically reflects that the school year was in fuller swing, from kindergarten to college, compared to the late summer/early fall months of the third quarter. Educational and health services posted a 500 jobs gain, which reflects a good share of the region's private educational institutions' employment surge as the school year began. Total trade employment gained 700 jobs on a quarterly, net basis.

Fox Valley job gains on an annual basis showed a net increase of 2,700 jobs or close to a one percent increase in the region's total number of jobs compared to Q4 2004. The region's largest gains from a numeric standpoint were total trade employment; educational and health services; and leisure and hospitality. These sectors gained anywhere from 2.5 to 4.3 percent in employment. The Appleton MSA (Outagamie and Calumet counties) and Green Lake County were the only regional geographies to report a net annual loss of jobs. The Oshkosh-Neenah MSA posted the largest annual gain over Q4 2004 with 1,700 more jobs, net, while Fond du Lac averaged 900 more jobs annually.

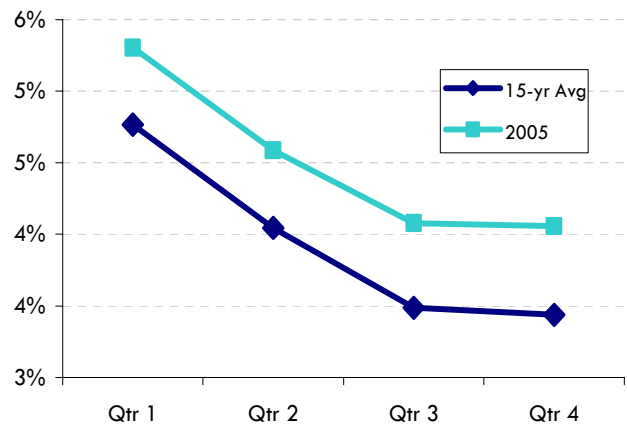
The manufacturing sector has posted annual employment gains in four of the region's seven counties, though it shows a net decrease of 300 jobs in the entire Fox Valley WDA. The Appleton MSA averaged 700 fewer manufacturing jobs annually, while the Oshkosh-Neenah MSA average 200 more. As per usual, educational and health services employment has maintained strong growth throughout the WDA. It is likely that the health services industry component of this sector is dictating the sector's growth and will probably continue to be the strongest growing industry for years to come.

The Fox Valley Workforce Album

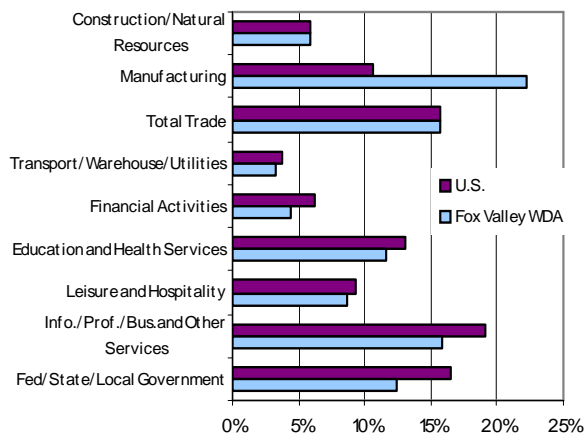
FOX VALLEY WDA-4 Unemployment Rates



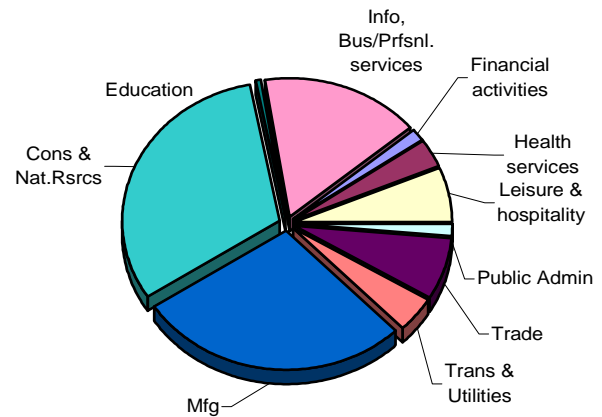
FOX VALLEY WDA-4 Unemployment Rate



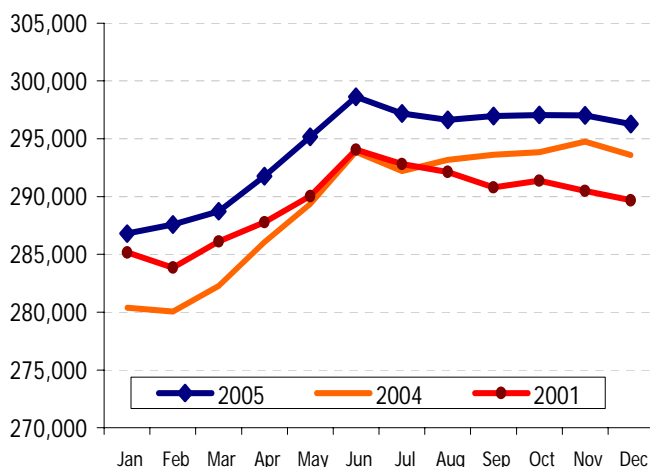
Employment by Industry Sector -Fourth Quarter 2005



Initial Claims for Unemployment Benefits by Industry in Qtr 4 2005 in Fox Valley Wisconsin



Total Nonfarm Jobs in Fox Valley Wisconsin



	Change over previous quarter				over yr
	Qtr 1 2005	Qtr 2 2005	Qtr 3 2005	Qtr 4 2005*	Qtr 4 2004
Consumer Price Index - All items (not seasonally adjusted)					
United States	0.6%	1.3%	1.2%	0.5%	3.7%
Midwest cities (50,000-1.5 million pop.)	0.5%	1.2%	1.6%	0.2%	3.5%
Midwest cities (less than 50,000 pop.)	1.0%	1.5%	1.7%	0.3%	4.5%
Employment Cost Index (not seasonally adjusted)					
Civilian total compensation	1.1%	0.6%	0.9%	0.5%	3.1%
Private industry total compensation	1.1%	0.7%	0.6%	0.4%	3.0%
Local & state govt. total compensation	0.9%	0.3%	1.8%	1.0%	3.7%
Civilian wages	0.7%	0.5%	0.8%	0.6%	2.3%
Private wages	0.7%	0.6%	0.7%	0.5%	2.2%
Local & state government wages	0.6%	0.2%	1.3%	0.9%	2.7%
Civilian benefits	2.2%	0.7%	1.1%	0.4%	5.1%
Private industry benefits	2.3%	0.8%	0.7%	0.2%	4.8%
Local & state government benefits	1.4%	0.5%	3.0%	1.1%	6.1%

Source: US Bureau of Labor Statistics

* current quarter